
Program Memorandum

Intermediaries

Department of Health and
Human Services (DHHS)
HEALTH CARE FINANCING
ADMINISTRATION (HCFA)

Transmittal A-00-32

Date: JUNE 2000

CHANGE REQUEST 1034

SUBJECT: Effectuating Favorable Final Appellate Decisions That a Beneficiary is "Confined to Home"-- Regional Home Health Intermediaries (RHHIs) Only

A. General Information--The purpose of this Program Memorandum (PM) is to give direction as to how RHHIs should effectuate a favorable final appellate decision that a beneficiary is "confined to the home."

B. Definitions--For the purposes of this PM:

- o A favorable decision is a decision that is favorable to the beneficiary; and
- o A final appellate decision is a decision at any level of the appeals process where the regional office (RO) has finally determined that no further appeals will be taken or where no appeal has been taken and all time for taking an appeal has lapsed.

C. Instructions--RHHIs are instructed to do the following when a favorable final appellate decision that a beneficiary is "confined to home" is rendered on or after July 1, 2000.

- o Promptly pay the claim that was the subject of the favorable final appellate decision.
- o Promptly pay or review based on the review criteria below:
 - All claims that have been denied that are properly pending in any stage of the appeals process;
 - All claims that have been denied where the time to appeal has not lapsed; and
 - All future claims submitted for this beneficiary.
- o For favorable final appellate decisions issued during a 1 year grace period starting on July 1, 2000 and ending June 30, 2001, reopen all denied claims that are subject to the 12 month reopening provision. Promptly pay or review, based on the review criteria below, these reopened claims.
- o Establish procedures to ensure that medical review of a beneficiary's claim, after the receipt by that beneficiary of a favorable final appellate decision related to "confined to home," is reviewed based on the review criteria below.
- o Notify the beneficiary and the affected home health agency that the favorable final appellate decision related to "confined to home" will be given "great weight" in evaluating if the beneficiary is "confined to home." Inform them of what steps should be taken if they believe a claim has been denied in error.
- o Maintain records containing information on beneficiaries receiving a favorable final appellate decision related to "confined to home." These records should include at a

minimum the beneficiary's name, HICN number, the service date of the claim that received the favorable final appellate decision, and the date of this decision. This information should be made available to us upon request.

D. Review Criteria.--Afford the favorable final appellate decision that a beneficiary is "confined to home" great weight in evaluating whether the beneficiary is confined to the home when reviewing services rendered after the service date of the claim addressed in the favorable final appellate decision *unless* there has been a change in facts (such as medical improvement or an advance in medical technology) that has improved the beneficiary's ability to leave the home. All medical review that is done on claims for services performed after the service date of the claim that is addressed in the favorable final appellate decision should determine if: (a) there has been a change in facts (as noted above) that affects the beneficiary's ability to leave the home and (b) if the services provided meet all other criteria for home health care. If there have been no changes in facts that affect the beneficiary's ability to leave the home and if all other criteria for home health services are met, the claim would ordinarily be paid. Medical review staff should generally adhere to the following examples, if applicable, in effectuating this review.

Example 1

A quadriplegic beneficiary receives a favorable final appellate decision that he is confined to the home even though he leaves home several times a week for personal reasons. This decision would ordinarily be given "great weight" in future medical review determinations, with the result that the beneficiary would therefore be treated as "confined to the home" in those determinations.

Example 2

A diabetic beneficiary with a severely broken leg that is not healing well receives a favorable final appellate decision that he is confined to the home, even though he leaves home several times a week for personal reasons. This decision would ordinarily be given "great weight," with the result that the beneficiary would therefore be treated as "confined to the home" for subsequent medical review decisions. However, if upon review, evidence showed that the beneficiary's medical condition had changed and the ability to leave the home had improved, then the favorable final appellate decision would no longer be given "great weight" in determining if the patient was "confined to home." Medical review of these cases should be done periodically to determine if there are changes in facts that have improved the beneficiary's ability to leave the home.

The effective date for this PM is July 1, 2000.

The implementation date for this PM is July 1, 2000.

These instructions are to be implemented within your current operating budget.

Questions regarding the implementation of these instructions may be directed to Charlotte Benson at (410) 786-3302 if related to medical review or Steve Miller at (410) 786-6656 if related to appeals.

This PM may be discarded December 31, 2001.